

EXHIBIT A

Rivas, Christopher O.

From: Rivas, Christopher O.
Sent: Wednesday, March 13, 2019 11:35 AM
To: hkhalid@cgsh.com; soneal@cgsh.com; crosenbloom@cgsh.com; hokim@cgsh.com; sunny.singh@weil.com; jacqueline.marcus@weil.com
Cc: Houston, Marsha A.
Subject: RE: ESL - Additional Adequate Assurance Information
Attachments: 126019574015-rep-3001090829.pdf

All,

We write to follow up regarding an objection we filed on behalf of A.R.E Investment Co. ("Landlord"), and the email below in which the buyer provided PDFs in an effort to provide additional adequate assurance. As noted in the objection, this relates to the property located at 400 W. Warner Avenue, Santa Ana, CA (formerly known as Sears PS Branch #8369) (the "Property").

We are still unclear about what the buyer's intentions are regarding this Property. Does the buyer continue to intend to assume the lease on this Property, and if so, how will it address the cure issues raised in the objection, and when? Alternatively, if the buyer is considering rejecting, can you let us know? Should the business folks at our respective clients discuss the matter further to coordinate?

Regards,
Chris

Christopher O. Rivas
213.457.8019
crivas@reedsmith.com

From: Kim, Hoori <hokim@cgsh.com>
Date: Sunday, Feb 03, 2019, 7:03 PM
To: Lynch, Christopher A. <CLynch@ReedSmith.com>
Cc: O'Neal, Sean A. <soneal@cgsh.com>, Khalid, Humayun <hkhalid@cgsh.com>, Rosenbloom, Chelsey <crosenbloom@cgsh.com>
Subject: ESL - Additional Adequate Assurance Information

Dear Counsel for A.R.E Investment Co,

Attached please find additional information supporting Transform Holdco LLC's (the "Buyer") ability to satisfy the requirements for adequate assurance of future performance under sections 365(f)(2)(B) and, if applicable, 365(b)(3) of Title 11 of the United States Code, sections 101 et seq. We have attached a letter as well as financial information showing the Buyer's revenue, EBITDA, operating cash flow, and net availability for 3 years (attached as Exhibit A to the letter).

We have also attached the Declaration of Kunal Kamrani, the President of ESL Investments, in support of ESL's Omnibus Response in Support of the Going Concern Sale Transaction, filed as ECF 2356 in the Sears bankruptcy proceedings. This declaration includes an overview of the genesis and viability of the Business Plan, and attaches as exhibits the following:

1. Exhibit A: Business Plan for the going concern proposal;
2. Exhibit B: Liquidity Analysis prepared in connection with the Business Plan, including:
 - Consolidated projections;
 - 2015A-2021F Performance By Business Unit;
 - Forecasts for key operating units;
 - 2019 monthly budget and 2020F-2023F Annual Forecast; and
 - 2019 Monthly Working Capital Budget and 2020F-2023F Annual Forecast;
3. Exhibit C: Business Plan prepared for the Company independent of ESL; and
4. Exhibit D: Company Analysis for the SSS (same store sales growth) for the 425 go-forward stores that the Debtors ultimately offered for sale.

Please let us know of any questions.

Best,

Hoori Kim | Law Clerk

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April 9, 2019

Via Email

Sean A. O'Neal
Luke A. Barefoot
Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York NY 10006

Ray C. Schrock, P.C.
Garrett A. Fail
Jacqueline Marcus
Sunny Singh
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153

Re: A.R.E. Investment Co.; Lease No. 8369

Dear Counsel:

A.R.E. Investment Co. ("Landlord") is a party to a certain Indenture of Lease dated as of July 10, 1957, as amended by a First Agreement Supplementing Lease dated December 5, 1957 (as amended and extended from time to time, the "Lease") with Sears, Roebuck and Co. (the "Lessee") for nonresidential real property located at 400 W. Warner Avenue, Santa Ana, CA (formerly known as Sears PS Branch #8369) (the "Property").

As you know, Landlord filed an objection ("Objection") to the Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction (the "Cure Notice"). [Docket Nos. 1774, 2205.]

As set forth in the Objection, Section 7 of the Lease provides that Lessee must promptly pay all taxes, assessments, and other public charges. Section 13(a) of the Lease provides that Lessee must maintain public liability insurance, elevator insurance, and must insure any improvements on the Property from loss or damage in an amount equal to 90% of the full insurable value of the improvements. On or about December 26, 2018, the Landlord sent correspondence to the Debtors requesting a current Certificate of Insurance with respect to the Property and proof that the property taxes have been paid current. To date, despite numerous requests from the Landlord and the filing of the Objection, no proof of insurance or payment of property taxes has been provided to the Landlord.

April 9, 2019

Page 2

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Additionally, correspondence recently sent by the Landlord to follow up regarding these issues is now being returned, and the address no longer appears to be valid (3333 Beverly Road, Department 766X, Hoffman Estates, Illinois 60179).

Please respond by providing written confirmation:

- (1) That all taxes, assessment, and other public charges have been timely paid, and proof of payment of all such items.
- (2) That the Property has the necessary insurance as required under the Lease, and proof of current insurance.
- (3) The appropriate notice address to which all future correspondence with respect to the Lease should be sent.

We look forward to your prompt response.

Regards,



Marsha A. Houston

COR:gsa

Rivas, Christopher O.

From: Barefoot, Luke A. <lbarefoot@cgsh.com>
Sent: Monday, April 22, 2019 4:19 PM
To: Rivas, Christopher O.; O'Neal, Sean A.
Cc: Houston, Marsha A.; Schrock, Ray; Fail, Garrett; Singh, Sunny; Marcus, Jacqueline; Black, Kimberly; Livingston, Matthew J.; Massey, Kate
Subject: RE: A.R.E. Investment Co.; Lease No. 8369

EXTERNAL E-MAIL

Chris – we'll follow up with our client and get back to you in an effort to resolve this.

Luke A. Barefoot

Cleary Gottlieb Steen & Hamilton LLP
Assistant: jdwulet@cgsh.com
One Liberty Plaza, New York NY 10006
T: +1 212 225 2829
lbarefoot@cgsh.com | clearygottlieb.com

From: Rivas, Christopher O. [mailto:CRivas@ReedSmith.com]
Sent: Monday, April 22, 2019 7:12 PM
To: O'Neal, Sean A. <soneal@cgsh.com>; Barefoot, Luke A. <lbarefoot@cgsh.com>
Cc: Houston, Marsha A. <MHouston@ReedSmith.com>; Schrock, Ray <Ray.Schrock@weil.com>; Fail, Garrett <Garrett.Fail@weil.com>; Singh, Sunny <sunny.singh@weil.com>; Marcus, Jacqueline <jacqueline.marcus@weil.com>
Subject: RE: A.R.E. Investment Co.; Lease No. 8369

All,

As a second follow up, we saw that a supplemental notice was filed on Friday identifying our lease with the same cure amount we previously objected to. As we read the Court's orders, A.R.E.'s previously-asserted objection remains in place, and according to the recently-filed notice, the purchaser has until May 3, 2019 at 11:30 a.m. ET, to withdraw the lease from its assumption schedule. Otherwise, if the cure objections are not resolved the matter will be set for hearing with the Court. Is this consistent with how you intended the notice to read?

We have repeatedly and diligently endeavored to resolve these issue with the Debtor and with the purchaser since we filed the attached objection in late January, but we have not received any substantive response to any of the issues we raised. Specifically, A.R.E. has identified a number of defaults under the lease that remain uncured: (1) the condition of the property; (2) proof of payment of taxes; (3) proof of insurance; and (4) payment of attorneys' fees. These are addressed more fully in the objection.

Can you please let us know how the purchaser intends to address A.R.E.'s objection? Absent agreement by the purchaser, A.R.E. has no choice but to supplement its objection.

-Chris

Christopher O. Rivas
213.457.8019
crivas@reedsmith.com

From: Rivas, Christopher O. <CRivas@ReedSmith.com>
Sent: Monday, April 22, 2019 11:03 AM
To: soneal@cgsh.com; lbarefoot@cgsh.com
Cc: Houston, Marsha A. <MHouston@ReedSmith.com>; Schrock, Ray <Ray.Schrock@weil.com>; Fail, Garrett <Garrett.Fail@weil.com>; Singh, Sunny <sunny.singh@weil.com>; Marcus, Jacqueline <jacqueline.marcus@weil.com>
Subject: RE: A.R.E. Investment Co.; Lease No. 8369

All,

I am following up again on our email from last week, and the letter we sent over two weeks ago. As you know, our client objected to the notice of assumption and proposed cure, and we were informed that there would be further proceedings to resolve the objection and to determine whether the parties could mutually agree upon a cure. To date, we have received only the form "adequate assurance" letter (attached), but have received no correspondence at all about the specific issues we raised in our objection and inquired about again in our letter. Among other things, the property is not being kept in the condition required under the lease, there is no proof that the property is insured, nor is there any proof that taxes have been paid. We have also been provided no address information to which we may send notices under the lease.

What is the plan in terms of addressing our client's concerns, and what are the buyer's intentions with respect to this lease? We have yet to see anything in the nature of an adequate proposed cure.

Regards,
Chris

Christopher O. Rivas
213.457.8019
crivas@reedsmith.com

From: Rivas, Christopher O. <CRivas@ReedSmith.com>
Sent: Friday, April 19, 2019 7:35 AM
To: Marcus, Jacqueline <jacqueline.marcus@weil.com>; soneal@cgsh.com; lbarefoot@cgsh.com
Cc: Houston, Marsha A. <MHouston@ReedSmith.com>; Schrock, Ray <Ray.Schrock@weil.com>; Fail, Garrett <Garrett.Fail@weil.com>; Singh, Sunny <sunny.singh@weil.com>
Subject: RE: A.R.E. Investment Co.; Lease No. 8369

Team Cleary:

Can you please get back to us about our letter and our questions below?

Thanks,
Chris

Christopher O. Rivas

213.457.8019

crivas@reedsmith.com

From: Marcus, Jacqueline <jacqueline.marcus@weil.com>

Date: Tuesday, Apr 16, 2019, 8:54 PM

To: Rivas, Christopher O. <CRivas@ReedSmith.com>, soneal@cgsh.com <soneal@cgsh.com>, lbarefoot@cgsh.com <lbarefoot@cgsh.com>

Cc: Houston, Marsha A. <MHouston@ReedSmith.com>, Schrock, Ray <Ray.Schrock@weil.com>, Fail, Garrett <Garrett.Fail@weil.com>, Singh, Sunny <sunny.singh@weil.com>

Subject: RE: A.R.E. Investment Co.; Lease No. 8369

EXTERNAL E-MAIL

Thanks for copying us on your correspondence. Since Transform is responsible for paying all cure costs, this is an issue that should be addressed by Cleary. We trust that someone from Cleary will respond to your inquiry.



Jacqueline Marcus

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+1 212 310 8007 Fax

From: Rivas, Christopher O. <CRivas@ReedSmith.com>

Sent: Tuesday, April 16, 2019 12:55 PM

To: soneal@cgsh.com; lbarefoot@cgsh.com; Schrock, Ray <Ray.Schrock@weil.com>; Fail, Garrett <Garrett.Fail@weil.com>; Marcus, Jacqueline <jacqueline.marcus@weil.com>; Singh, Sunny <sunny.singh@weil.com>

Cc: Houston, Marsha A. <MHouston@ReedSmith.com>

Subject: RE: A.R.E. Investment Co.; Lease No. 8369

All,

We are following up about the attached correspondence. We are also following up regarding our prior emails to you regarding Lease 8369. It appears the Debtor has decided not to reject this lease, but as you know, our client objected to the proposed cure as insufficient. What are the next steps, and how does the purchaser intend to cure the lease defaults outlined in our objection?

Regards,
Chris

Christopher O. Rivas
213.457.8019
crivas@reedsmith.com

From: Valencia, Heather R. <HValencia@ReedSmith.com>

Sent: Tuesday, April 9, 2019 4:17 PM

To: soneal@cgsh.com; lbarefoot@cgsh.com; Ray C. Schrock, P.C. (ray.schrock@weil.com) <ray.schrock@weil.com>;

Garrett Fail (garrett.fail@weil.com) <garrett.fail@weil.com>; jacqueline.marcus@weil.com; sunny.singh@weil.com

Cc: Houston, Marsha A. <MHouston@ReedSmith.com>; Rivas, Christopher O. <CRivas@ReedSmith.com>

Subject: A.R.E. Investment Co.; Lease No. 8369

Good Afternoon, please see the attached document.

Thank you,

Heather Valencia

Assistant to Marsha Houston

Reed Smith LLP

355 South Grand Avenue, Suite 2900

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